THE QUARTERLY JOURNAL OF ECONOMICS

FOUNDED 1886

Editor
RICHARD A. MUSGRAVE

VOLUME LXXXIX

PUBLISHED BY HARVARD UNIVERSITY
CAMBRIDGE, MASSACHUSETTS
1975

PRINTED IN UNITED STATES OF AMERICA

CONTENTS FOR VOLUME LXXXIX

Authors

Page

Adelman, M. A. Population: A Symposium: Comment 271
Ahsan, Syed M. Capital Gains and Risk Taking 151
Archibald, G. C., and G. Rosenbluth. The "New" Theory of Consumer Demand and Monopolistic Competition 569
Atkinson, A. B. Worker Management and the Modern Industrial Enterprise: Response 670
Balassa, Bela. Latin American Trade Policies in the 1970's: Comment . . 483
Bertrand, Trent J. The Gains from Trade: Steady-State Solutions in an Open Economy 556
Bhagwati, Jagdish N., and Bent Hansen. A Theoretical Analysis of Smuggling: Response 651
Boddy, Raford, and James R. Crotty. Macro-Policy Goals in the Postwar Period: Comment 673
Boserup, Ester. Population: A Symposium: Comment 257
Brown, Donald J. Aggregation of Preferences 456
Brown, Harrison. Population: A Symposium: Comment 236
Comanor, William S., and Robert H. Smiley. Monopoly and the Distribution of Wealth 177
Crotty, James R., and Raford Boddy. Macro-Policy Goals in the Postwar Period: Comment 673
Danielsen, Albert L. Utilities, Charity, and Pareto Optimality: Comment 477
Eatwell, John. Mr. Sraffa's Standard Commodity and the Rate of Exploitation 543
Fisher, Anthony C., and John V. Krutilla. Conservation, Environment, and the Rate of Discount 358
Freeman, A. Myrick III. Spatial Equilibrium, Rents, and Benefits from Public Programs: Comment 470
Friedlaender, Ann F. Macro-Policy Goals in the Postwar Period: Response 677
Gintis, Herbert. Welfare Economics and Individual Development: Response 291
Glustoff, Erhol. On Continuous Utility 512
Grace, H. Stephen, Jr. Specification of Cost Function and Transactions Demand for Cash 658
Gray, H. Peter, and Ingo Walter. A Theoretical Analysis of Smuggling: Comment 643
Green, Jerry R., and Eytan Sheshinski. The Progressivity of Optimal Public Expenditures 138
Hansen, Bent, and Jagdish N. Bhagwati. A Theoretical Analysis of Smuggling: Response 651
Hess, Alan C. Interest and the Market Price of Risk 444
Hirshleifer, J. Speculation and Equilibrium: Information, Risk, and Markets 519
Huddle, Donald L. Welfare Losses in the Brazilian Exchange Rate System 490
Ishikawa, Tsuneo. A Simple Jevonian Model of Educational Investment 633

PAGE

JAFFE, JEFFREY F. The "Coase Theorem": A Reexamination — Comment 660
JOVICIC, MILENA, AND JAROSLAV VANEK. Capital Market and Income Distribution in Yugoslavia 432
KALDOR, NICHOLAS. What Is Wrong with Economic Theory 347
KENNEDY, THOMAS E. Incentive Pricing and Utility Regulation 311
KORLIRAS, PANAYOTIS G. A Disequilibrium Macro Model 56
KRUTILLA, JOHN V., AND ANTHONY C. FISHER. Conservation, Environment, and the Rate of Discount 358
LATHAM, R. W., AND D. A. PEEL. User Cost and the Preference Function . . 154
LEIBENSTEIN, HARVEY. The Economic Theory of Fertility Decline . . . 1
LEIBENSTEIN, HARVEY. Population: A Symposium: Introductory Notes . . 230
LIND, ROBERT C. Spatial Equilibrium, Rents, and Benefits from Public Programs: Response 474
MANNING, R. Optimal Development of a Skilled Work Force 504
MARKUSEN, JAMES R. Control of International Pollution and Common Resources 618
MATHIESON, DONALD J. Monetary Policy in an Inside Money, Open Economy 81
MCCULLOCH, J. HUSTON. Risk, Interest, and Forward Exchange: Comment 170
OHLIN, GÖRAN. Population: A Symposium: Appreciation 276
OSTER, SHARON M. Industry Differences in Discrimination Against Women 215
PACKER, ARNOLD H., AND FRANK C. RIPLEY. Strength and Target Seeking of Automatic Stabilizers 314
PARSONS, DONALD O. Intergenerational Transfers and Educational Decision 603
PARSONS, T. Welfare Economics and Individual Development: Comment 280
PEEL, D. A., AND R. W. LATHAM. User Cost and the Preference Function . 154
PEER, HENK, AND ALFRED STEINHERR. Worker Management and the Modern Industrial Enterprise: Comment 662
PERLMAN, MARK. Population: A Symposium: Comment 247
RAU, NICHOLAS. Two-Class Neoclassical Growth 344
RAY, ALOK. Traded and Nontraded Intermediate Inputs 331
RAY, EDWARD JOHN. Impact of Monopoly Pricing on the Lerner Symmetry Theorem 591
RIPLEY, FRANK C., AND ARNOLD H. PACKER. Strength and Target Seeking of Automatic Stabilizers 314
ROBINSON, JOAN. The Unimportance of Reswitching 32
ROBINSON, JOAN. The Unimportance of Reswitching: Response 53
ROPER, DON E. Risk, Interest, and Forward Exchange: Comment 157
ROSENBLUTH, G., AND G. C. ARCHIBALD. The "New" Theory of Consumer Demand and Monopolistic Competition 569
ROSS, STEPHEN A., AND MICHAEL L. WACHTER. Pricing and Timing in Oligopoly 115
SAMUELSON, PAUL A. The Unimportance of Reswitching: Comment . . . 40
SAXONHOUSE, GARY R. Capital Accumulation, Labor Saving, and Absorption Once More, Once More 322
SCHALL, LAWRENCE D. Utilities, Charity, and Pareto Optimality: Response 482
SCHYDLOWSKY, DANIEL M. Latin American Trade Policies in the 1970's: Response 487
SHESHINSKI, EYTAN, AND JERRY R. GREEN. The Progressivity of Optimal Public Expenditures 138
SIEGEL, JEREMY. Risk, Interest, and Forward Exchange: Response 173

GENERAL BOOKBINDING CO.
130AA 013 S
76 2 1
QUALITY CONTROL MARK
2708

PAGE

SMILEY, ROBERT H., AND WILLIAM S. COMANOR. Monopoly and the Distribution of Wealth 177
SOLOW, ROBERT M. The Unimportance of Reswitching: Comment 48
STEINHERR, ALFRED, AND HENK PEER. Worker Management and the Modern Industrial Enterprise: Comment 662
SVEIKAUSKAS, LEO. The Productivity of Cities 393
TARR, DAVID G. Permanent Income and Sectoral Growth in a Leontief Economy 145
TEUBAL, MORRIS. A Neotechnology Theory of Comparative Costs 414
TSIANG, S. C. Capital Flows, Internal and External Balance 195
VANEK, JAROSLAV, AND MILENA JOVICIC. Capital Market and Income Distribution in Yugoslavia 432
VELUPILLAI, K. Irving Fisher on "Switches of Techniques" 679
VISCO, IGNAZIO. Inflation and the Rate of Interest 303
WACHTER, MICHAEL L., AND STEPHEN A. ROSS. Pricing and Timing in Oligopoly 115
WALTER, INGO, and H. PETER GRAY. A Theoretical Analysis of Smuggling: Comment 643
WEINSTEIN, MILTON C., AND RICHARD J. ZECKHAUSER. Optimal Consumption of Depletable Resources 371
YI, GREGORY J. L. The Badly Behaved Production Function 341
ZAREMBKA, PAUL. Capital Heterogeneity, Aggregation, and the Two-Sector Model 103
ZECKHAUSER, RICHARD J., AND MILTON C. WEINSTEIN. Optimal Consumption of Depletable Resources 371

TITLES

Aggregation of Preferences. Donald J. Brown 456
The Badly Behaved Production Function. Gregory J. L. Yi 341
Capital Accumulation, Labor Saving, and Absorption Once More, Once More. Gary R. Saxonhouse 322
Capital Flows, Internal and External Balance. S. C. Tsiang 195
Capital Gains and Risk Taking. Syed M. Ahsan 151
Capital Heterogeneity, Aggregation, and the Two-Sector Model. Paul Zarembka 103
Capital Market and Income Distribution in Yugoslavia. Jaroslav Vanek and Milena Jovicic 432
The "Coase Theorem": A Reexamination — Comment. Jeffrey F. Jaffe . . 660
Conservation, Environment, and the Rate of Discount. Anthony C. Fisher and John V. Krutilla 358
On Continuous Utility. Errol Glustoff 512
Control of International Pollution and Common Resources. James R. Markusen 618
A. Disequilibrium Macro Model. Panayotis G. Korliras 56
The Economic Theory of Fertility Decline. Harvey Leibenstein 1
The Gains from Trade: Steady-State Solutions in an Open Economy. Trent J. Bertrand 556
Impact of Monopoly Pricing on the Lerner Symmetry Theorem. Edward John Ray 591
Incentive Pricing and Utility Regulation. Thomas E. Kennedy 311

PAGE

Industry Differences in Discrimination Against Women. Sharon M. Oster 215
Inflation and the Rate of Interest. Ignazio Visco 303
Interest and the Market Price of Risk. Alan C. Hess 444
Intergenerational Transfers and Educational Decision. Donald O. Parsons 603
Irving Fisher on "Switches of Techniques." K. Velupillai 679
Latin American Trade Policies in the 1970's: Comment. Bela Balassa . . 483
Latin American Trade Policies in the 1970's: Response. Daniel M. Schydlowsky 487
Macro-Policy Goals in the Postwar Period: Comment. Raford Boddy and James R. Crotty 673
Macro-Policy Goals in the Postwar Period: Response. Ann F. Friedlaender 677
Monetary Policy in an Inside Money, Open Economy. Donald J. Mathieson 81
Monopoly and the Distribution of Wealth. William S. Comanor and Robert H. Smiley 177
A Neotechnology Theory of Comparative Costs. Morris Teubal 414
The "New" Theory of Consumer Demand and Monopolistic Competition. G. C. Archibald and G. Rosenbluth 569
Optimal Consumption of Depletable Resources. Milton C. Weinstein and Richard J. Zeckhauser 371
Optimal Development of a Skilled Work Force. R. Manning 504
Permanent Income and Sectoral Growth in a Leontief Economy. David G. Tarr 145
Population: A Symposium: Introductory Notes. Harvey Leibenstein . . . 230
Population: A Symposium: Comment. Harrison Brown 236
Population: A Symposium: Comment. Mark Perlman 247
Population: A Symposium: Comment. Ester Boserup 257
Population: A Symposium: Comment. M. A. Adelman 271
Population: A Symposium: Appreciation. Göran Ohlin 276
Pricing and Timing in Oligopoly. Stephen A. Ross and Michael L. Wachter 115
The Productivity of Cities. Leo Sveikauskas 393
The Progressivity of Optimal Public Expenditures. Jerry R. Green and Eytan Sheshinski 138
Risk, Interest, and Forward Exchange: Comment. Don E. Roper 157
Risk, Interest, and Forward Exchange: Comment. J. Huston McCulloch . 170
Risk, Interest, and Forward Exchange: Response. Jeremy Siegel 173
A Simple Jevonian Model of Educational Investment. Tsuneo Ishikawa . 633
Spatial Equilibrium, Rents, and Benefits from Public Programs: Comment. A. Myrick Freeman III 470
Spatial Equilibrium, Rents, and Benefits from Public Programs: Response. Robert C. Lind 474
Specification of Cost Function and Transactions Demand for Cash. H. Stephen Grace, Jr. 658
Speculation and Equilibrium: Information, Risk, and Markets. J. Hirshleifer 519
Mr. Sraffa's Standard Commodity and the Rate of Exploitation. John Eatwell 543
Strength and Target Seeking of Automatic Stabilizers. Arnold H. Packer and Frank C. Ripley 314

PAGE

A Theoretical Analysis of Smuggling: Comment. H. Peter Gray and Ingo Walter 643
A Theoretical Analysis of Smuggling: Response. Jagdish N. Bhagwati and Bent Hansen 651
Traded and Nontraded Intermediate Inputs. Alok Ray 331
Two-Class Neoclassical Growth. Nicholas Rau 344
The Unimportance of Reswitching. Joan Robinson 32
The Unimportance of Reswitching: Comment. Paul A. Samuelson 40
The Unimportance of Reswitching: Comment. Robert M. Solow 48
The Unimportance of Reswitching: Response. Joan Robinson 53
User Cost and the Preference Function. R. W. Latham and D. A. Peel . . 154
Utilities, Charity, and Pareto Optimality: Comment. Albert L. Danielsen 477
Utilities, Charity, and Pareto Optimality: Response. Lawrence D. Schall 482
Welfare Economics and Individual Development: Comment. T. Parsons 280
Welfare Economics and Individual Development: Response. Herbert Gintis 291
Welfare Losses in the Brazilian Exchange Rate System. Donald L. Huddle 490
What Is Wrong with Economic Theory. Nicholas Kaldor 347
Worker Management and the Modern Industrial Enterprise: Comment. Alfred Steinherr and Henk Peer 662
Worker Management and the Modern Industrial Enterprise: Response. A. B. Atkinson 670